

RECORDATION NO. 25754-C FILED

SEP 15 '05

4-30 PM

ALVORD AND ALVORD
ATTORNEYS AT LAW
1050 SEVENTEENTH STREET, N.W.

SUITE 301
WASHINGTON, D.C.

20036

(202) 393-2266

FAX (202) 393-2156

E-MAIL alvordlaw@aol.com

ELIAS C. ALVORD (1942)
ELLSWORTH C. ALVORD (1964)

OF COUNSEL
URBAN A. LESTER

SURFACE TRANSPORTATION BOARD

September 15, 2005

Mr. Vernon A. Williams
Secretary
Surface Transportation Board
Washington, D.C. 20423

Dear Mr. Williams:

Enclosed for recordation pursuant to the provisions of 49 U.S.C. Section 11301(a) are three (3) copies of an Assignment, dated as of September 15, 2005, a secondary document as defined in the Board's Rules for the Recordation of Documents.

The enclosed document relates to the Memorandum of Lease which is being filed with the Board under Recordation Number 25754-B.

The names and addresses of the parties to the enclosed document are:

Assignor: Appalachian Power Company
c/o American Electric Power
Service Corporation
1 Riverside Plaza
Columbus, OH 43215

Assignee: GATX Financial Corporation
Four Embarcadero Center
Suite 2200
San Francisco, CA 94111

A description of the railroad equipment covered by the enclosed document is:

40 railcars AEPX 20121 – AEPX 20160

Mr. Vernon A. Williams
September 15, 2005
Page Two

A short summary of the document to appear in the index is:

Assignment

Also enclosed is a check in the amount of \$33.00 payable to the order of the Surface Transportation Board covering the required recordation fee.

Kindly return stamped copies of the enclosed document to the undersigned.

Very truly yours,

A handwritten signature in black ink, appearing to read 'Alvord', with a long horizontal flourish extending to the right.

Robert W. Alvord

RWA/anm
Enclosures

SEP 15 '05

4-30 PM

ASSIGNMENT

SURFACE TRANSPORTATION BOARD

This Assignment, dated as of September 15, 2005, is by and between APPALACHIAN POWER COMPANY, a Virginia corporation ("*Appalachian Power*"), as Assignor, and GATX FINANCIAL CORPORATION, a Delaware corporation (the "*Lessor*"), as Assignee.

WITNESSETH:

WHEREAS, reference is made to FreightCar America, Inc. Order Number 1460-035, including that certain Price Confirmation Letter dated July 13, 2005, from FreightCar America, Inc. (the "*Seller*") to Appalachian Power and the attachments thereto, including the Terms and Conditions of Sale For Order No. 1460-035, for the purchase of certain equipment (the "*Purchase Agreement*"); and

WHEREAS, Appalachian Power now desires to assign the purchase rights in the equipment and all warranties and indemnities with respect thereto to the Lessor;

NOW, THEREFORE, in consideration of the foregoing and of the mutual covenants hereinafter contained, the parties agree as follows:

1. Appalachian Power hereby grants, sells, assigns, transfers and sets over to the Lessor and the Lessor hereby accepts (i) Appalachian Power's right to purchase the equipment described in **Exhibit A** hereto (the "*Equipment*") and (ii) Appalachian Power's right to all warranties and indemnities with respect to the Equipment, all in accordance with the Purchase Agreement.

2. It is expressly agreed that, anything herein contained to the contrary notwithstanding, Appalachian Power shall at all times remain liable to the Seller under and in accordance with the Purchase Agreement including the obligation to pay the purchase price of the Equipment (to the extent such obligation is not fully and timely performed by the Lessor), and the Lessor shall not have any obligation or liability under the Purchase Agreement by reason of, or arising out of, this Assignment or be obligated to perform any of the obligations or duties of Appalachian Power under the Purchase Agreement or to make any payment other than to pay the purchase price for each item of Equipment in accordance with the terms of the Purchase Agreement and a Railcar Lease, dated as of August 1, 2005 between the Lessor and Appalachian Power (the "*Lease*").

3. Appalachian Power agrees that at any time and from time to time, upon the written request of the Lessor, Appalachian Power shall promptly and duly execute and deliver any and all such further instruments and documents and take such further action as the Lessor may reasonably request in order to obtain the full benefits of this Assignment and of the rights and powers herein granted.

4. Appalachian Power does hereby represent and warrant that (i) the Purchase Agreement is in full force and effect and enforceable in accordance with its terms and that Appalachian Power is not in default thereunder; (ii) Appalachian Power has not assigned or pledged, and hereby covenants that it shall not assign or pledge so long as this Assignment remains in effect, the whole or any part of the rights hereby assigned to anyone other than the Lessor; and (iii) Appalachian Power shall not, so long as this Assignment remains in effect, enter into any agreement with the Seller which would amend, modify, rescind, cancel or terminate the Purchase Agreement without the prior written consent of the Lessor, which consent will not be unreasonably withheld.

5. The Lessor agrees that it shall not enter into any agreement with the Seller which would amend, modify, rescind, cancel or terminate the Purchase Agreement without the prior written consent of Appalachian Power, unless the Lessor has notified the Seller that a Default or Event of Default has occurred and is continuing.

6. So long as no Default or Event of Default under the Lease shall have occurred and be continuing, the Lessor hereby assigns to Appalachian Power, for and during the term of the Lease, any and all Seller and manufacturer warranties issued on or applicable to the Equipment, and the Lessor hereby authorizes Appalachian Power during the term of the Lease to obtain at Appalachian Power's sole expense any and all services furnished in connection therewith by the Seller.

7. This Assignment shall be governed by and construed in accordance with the internal laws of the State of Illinois (without regard to the conflict of law provisions of such State).

8. This Assignment may be executed in any number of counterparts, each executed counterpart constituting an original but all together only one Assignment.

ASSIGNMENT

IN WITNESS WHEREOF, the parties have hereunto set their hand as of the 15th day of September, 2005.

APPALACHIAN POWER COMPANY

GATX FINANCIAL CORPORATION

By Stephan T. Hayes
Its Assistant Treasurer

By _____
Its Vice President

ASSIGNMENT

IN WITNESS WHEREOF, the parties have hereunto set their hand as of the 13th day of September, 2005.

APPALACHIAN POWER COMPANY

GATX FINANCIAL CORPORATION

By _____
Its Assistant Treasurer

By *Sinda C. Howard*
Its Vice President

STATE OF OHIO)
) SS.:
 COUNTY OF FRANKLIN)

On this, the 12th day of September, 2005, before me, a Notary Public in and for said County and State, personally appeared Stephan T. Haynes, an Assistant Treasurer of APPALACHIAN POWER COMPANY, who acknowledged himself to be a duly authorized officer of APPALACHIAN POWER COMPANY, and that, as such officer, being authorized to do so, he executed the foregoing instrument for the purposes therein contained.

IN WITNESS WHEREOF, I have hereunto set my hand and official seal on the date above mentioned.

Name: _____
 Notary Public
 My Commission Expires: _____
 Residing in _____

CONSENT AND AGREEMENT

The undersigned, FreightCar America, Inc. ("*Seller*"), hereby acknowledges notice of and consents to all of the terms of the foregoing Assignment ("*Assignment*," the defined terms therein being hereinafter used with the same meaning as defined therein) and hereby confirms to the Lessor that:

(i) The Lessor shall not be liable for any of the obligations or duties of Appalachian Power Company to Seller under the Purchase Agreement nor shall the Assignment give rise to any duties or obligations whatsoever on the part of the Lessor owing to Seller except for the obligation of the Lessor to pay the purchase price for the Equipment in accordance with the terms of the Purchase Agreement and the Assignment in the event such item of Equipment is made subject to the Lease;

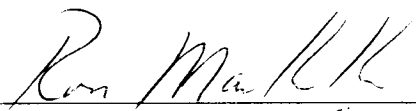
(ii) Seller hereby represents and warrants to the Lessor that the Purchase Agreement constitutes as of the date thereof and at all times thereafter to and including the date of this Consent and Agreement, and that this Consent and Agreement constitutes, a binding obligation of Seller, in each case enforceable, with respect to the Equipment listed in the Assignment, against Seller in accordance with their respective terms;

(iii) By consenting to the terms of the Assignment, Seller shall not be deemed to have modified its rights and obligations under the Purchase Agreement; and

(iv) Notwithstanding anything contained herein or in the Assignment to the contrary, Appalachian Power Company shall, at all times, remain liable to the Seller under and in accordance with the terms of the Purchase Agreement to pay the purchase price of the Equipment to the extent such payments are not fully and timely made by the Lessor.

Acknowledged and agreed to by:

FREIGHTCAR AMERICA, INC.

By 
Its Product Line Specialist

Dated: September 15, 2005

EXHIBIT A

DESCRIPTION OF EQUIPMENT

DESCRIPTION	NUMBER OF CARS	MARKS	CAR NUMBERS
Aluminum Rotary AutoFlood III railcars	40	AEPX	20121 to 20160 (inclusive)

CERTIFICATION

I, Robert W. Alvord, attorney licensed to practice in the State of New York and the District of Columbia, do hereby certify under penalty of perjury that I have compared the attached copy with the original thereof and have found the copy to be complete and identical in all respects to the original document.

Dated: ¹⁵ September 1, 2005



Robert W. Alvord